



February 23, 2009

Matthew B. Galligan

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State Senator Andrew W. Roraback
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**OPPOSE SECTION 7 OF RAISED BILL 933
AN ACT CONCERNING THE GOVERNOR'S
RECOMMENDATIONS ON REVENUE**

Distinguished Members of the Finance, Revenue and Bonding Committee

Ladies and Gentlemen:

Rejection of this legislation will allow the creation of more than 2,000 jobs, the investment of more than \$100 million in infrastructure and the infusion of more than \$400 million annually into the Connecticut economy. Given our current economic crisis, I urge the members to vote in opposition to the concept of capping film production tax credits at \$30 million dollars.

For the past several months, the Town of South Windsor has worked in partnership with the Department of Economic and Community Development and under the leadership of the Governor's Office to recruit a major economic development project to our State. This project's proponents propose the development of a major motion picture studio consisting of eight state of the art sound stages, a high technology set manufacturing facility and a screening and visitors' center. In addition to the bricks and mortar, the project also calls for training literally thousands of our fellow Connecticut residents to work in this industry at high paying, union jobs. Permanent jobs! Finally, the facility if built, would be a center of commerce; spending over \$400 million per year in the local economy generating thousands more jobs, and economic opportunity.

Perhaps the most encouraging aspect of this project is that the developers have a track record. Pacifica Ventures, the managing partner of the development team has built the only major motion picture studio outside of Los Angeles or New York in the past 60 years. Albuquerque Studios has been wildly successful and the New Mexico economy has benefited tremendously. The benefits to New Mexico have been documented by an independent study conducted by Ernst and Young. The report cites that for every dollar of tax credit awarded by the State, \$1.50 in tax revenue was returned to the State and its localities.

As your Committee hears this bill, I am leading a contingent of South Windsor Officials to conduct a due diligence tour of Albuquerque Studios and meet with local New Mexico officials. The Town of South Windsor is aggressively moving forward to attract this project and will offer the developer millions in tax incremental financing and contribute land to the project. But the Town cannot do this alone. Without tax credits in sufficient quantity to attract major motion pictures (those spending \$100 million or more) this project will not move forward. This project is a real opportunity to reverse the economic trends that have plagued our state and region, I implore you to reject this cap and instead cast your vote in favor of creating 2,000 jobs and taking a giant leap forward in getting the Connecticut economy moving again.

Sincerely,

Matthew B. Galligan